

NEGATIVE BALANCE EMPLOYERS

Negative balance employers are those whose experience rating accounts are charged more in benefits than the employer paid in contributions. As an insurance designed to pool risks, it is reasonable for some businesses to have a negative balance similar to someone in a serious car accident receiving automobile insurance payment that exceed their premiums. However, approximately one-half of negative balance employers have been in that category for three or more years. Most negative balance employers are paying the highest tax rates allowed under the law. Additionally, most negative balance employers are found in seasonal industries, but they are also found in all other sectors including private household and non-profit social service agencies.

Negative Balance Employer – 2007

Employer Size	# of Employers	Jobs
0	844	0
1-4	1,172	2,621
5-9	608	4,046
10-19	428	5,856
20-49	263	7,997
50-99	72	4,972
100-249	32	4,840
250-499	5	1,702
500-999	3	2,273
1,000 plus	2	2,570
Total	3,429	36,877

Negative Balance Employer in each of the past 3 years

Industry	NB Employers	% All Employers	Total three year balance
Agriculture	40	10.6%	(\$1,243,382)
Mining & Quarrying	15	30.0%	(\$836,315)
Building Construction	167	15.4%	(\$4,262,365)
Heavy Construction	71	42.8%	(\$7,652,000)
Specialty Trades	465	23.2%	(\$21,993,386)
Manufacturing	104	17.9%	(\$16,705,125)
Wholesale Trade	43	3.1%	(\$1,654,290)
Retail Trade	137	4.8%	(\$3,904,801)
Transportation & Warehousing	63	11.8%	(\$2,714,374)
Information	6	1.4%	(\$109,158)
Finance & Real Estate	39	2.7%	(\$962,609)
Prof, Scientific, & Tech Svcs	63	2.1%	(\$2,779,121)

Adm Support, Waste Mfg, & Remediation	163	12.5%	(\$6,002,066)
Education, HC & Social Assist	20	0.9%	(\$729,868)
Accommodation \$ Food Svcs	57	3.5%	(\$7,872,610)
Other Svcs	141	7.2%	(\$1,023,702)
Public Administration**	2	3.3%	(\$28,869)
Total	1596	7.5%	(\$80,474,041)

* Employers with a negative balance in each of the last 3 years.

** Experience rated only.